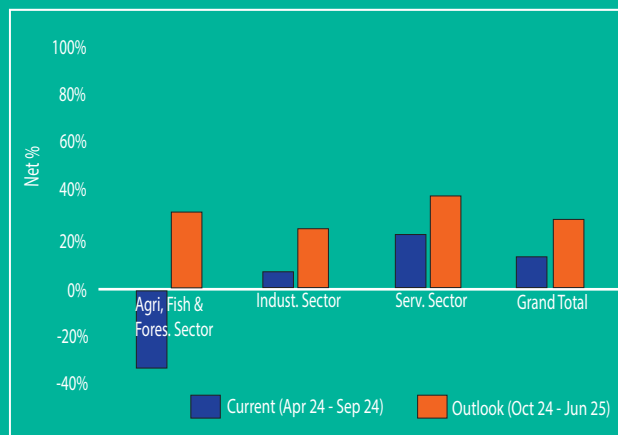


SNAPSHOT Business Expectation Survey (BES), September 2024 Current Development and Outlook



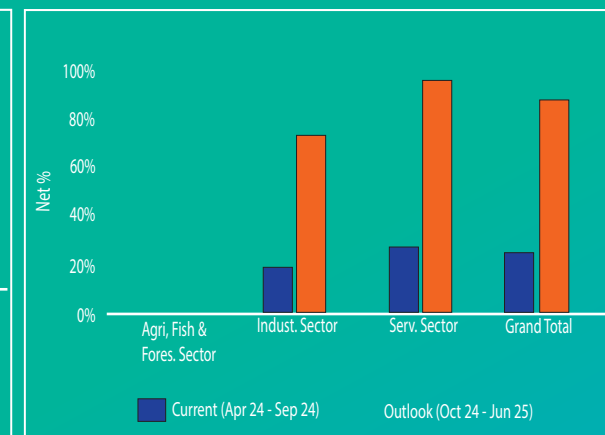
Growth - Business Performance



The overall sentiments on businesses performance for the current period were slightly positive. This was mainly due to the poor performances recorded by the agriculture sector, and moderately positive performance by the industry and the services sectors. The overall expectations on business performance over the period to mid-2025, was positive with all business sectors anticipating improvements in their performance.



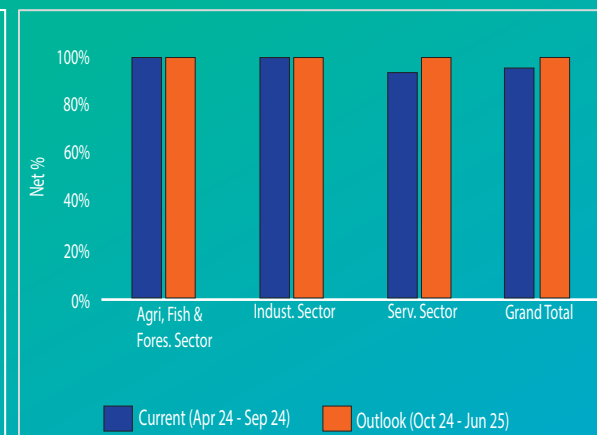
Sales



Sentiments on sales generated by the industry and services sectors have been positive during the current period, relative to moderate growth by businesses in the agriculture sector. Positive sales reflected robust consumption largely driven by supportive customer base and supportive workforce. On the outlook, consumption activities are expected to improve significantly reflected by expectations of increased sales in the services and industry sector while sales in agriculture sector are expected to remain stable.

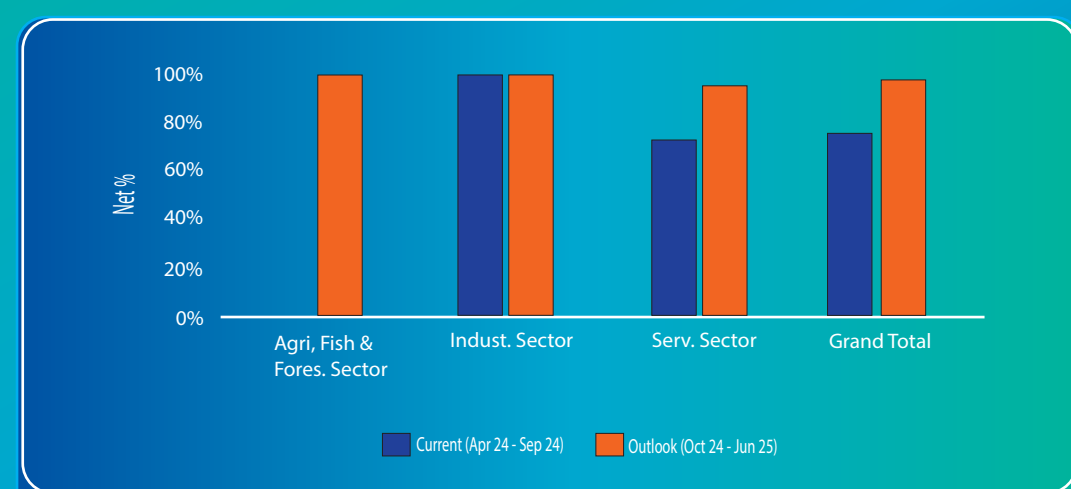


Investment



The business perspectives on the overall investments for the current developments and for the short to medium term outlook were very positive, with a slightly more positive outlook. Businesses in all sectors reported some improvements in investments, and a slightly more positive sentiments on investment outlook was reported for the short and medium term period.

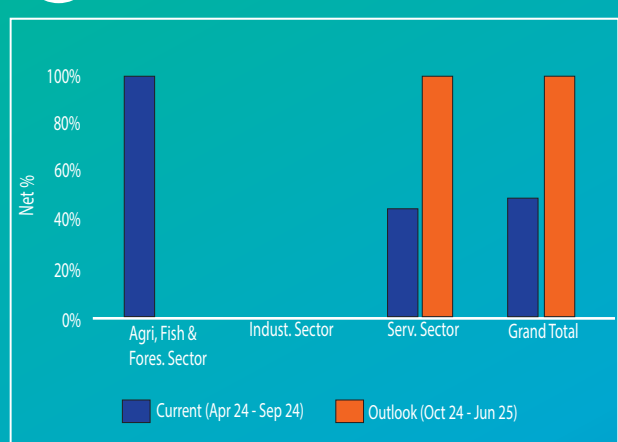
Price



Businesses sentiments for the industry and services sectors were negative, indicating prices increases during the current period, while more negative sentiments from all business sectors were reported, anticipating the prices to remain high the next nine months ahead.



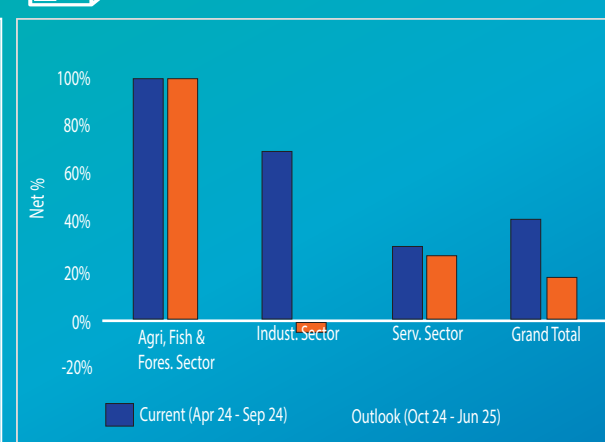
Exports



Sentiments on overall exports of goods and services over the current period, were positive for the services (in particular hotels, retail & wholesale and professional services) and the agriculture sectors. On the outlook, businesses in the industry and agriculture sectors expects stable performance.



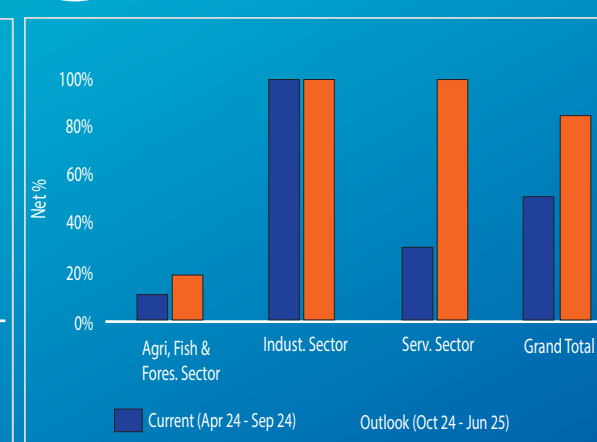
Imports



Business expectations on imports over the current period have been positive, owing to very positive sentiments for the agriculture sector followed by the industry and services sector. Increasing imports continue to reflect high demand amidst growing population and other related factors. In terms of outlook, overall increase in imports is expected to slow though positive compared to current period, driven by robust rise in imports anticipated by the agriculture sector, followed by the services sector; offsetting some anticipated decrease projected by the industry sector.



Employment Level



Business perspectives on overall employment level for the current developments and for the short to medium term outlook were moderately and very positive respectively. In terms of current staff level by sector, sentiments were very positive, moderately and marginally positive for industry, services and agriculture sector, respectively. A positive outlook is expected for all sectors, with all respondents from services and industry sectors anticipating further increases in staff level, with a marginally positive expectation for agriculture sector.

Key Explanatory Note

- The Net % is explained as:
 - 0 to 50% defines businesses that have a positive performance on growth
 - 0% define businesses that have no change in performance growth
 - 0 to -50% define businesses with a negative growth
- The Constraints and Attributors:
 - The Attributors to growth are selected by taking the Top 6 of reasons that businesses have chosen.
 - The constraints to growth are selected by taking the Top 6 of reasons that businesses have chosen.
- The survey series is bi-annual, that is March and September.

Attributes to Growth

- Robust domestic consumption-from supportive customer base and workforce
- Ease of access to business location
- Increasing use of social media platforms to boost sales
- Regular inflows of private remittances
- Supportive government policies
- Expansion in business investment

Constraints to Growth

- High cost structure
- Rising production costs
- Increasing market competition
- Rising operating and overhead costs
- Natural disasters / hazards
- Poor road infrastructure

Survey Disclaimer:

The BES Snapshot provides the views of the respondents and does not in any way represent the view of the Reserve Bank of Vanuatu. As such, the RBV cannot be held liable for any actions taken base on the responses provided in this survey snapshot.